

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1594 West North Temple - Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
Telephone: (801) 538-5291
Fax: (801) 359-3940

LARGE MINING OPERATIONS 2014 PROGRESS REPORT
January 1, 2014 to December 31, 2014

The information required in this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, and the rules as under the Utah Minerals Regulatory Program.

1. Mine Permit Number: *M/045/0004*
2. Mine Name: *Pine Canyon Reclamation*
3. Name of Operator/Permittee: *Kennecott Utah Copper LLC (KUC)*
Note: If Operator's address, company representative or phone number have changed, please provide a replacement page for the Notice of Intention.

4. Mine Location:
S1/2 SW1/4, Section 17;
N1/2 NW1/4, W1/2 NE1/4, SE1/4 NE1/4, E1/2 SE1/4 Section 20;
SW1/4 SW1/4, Section 21;
W1/4 NW1/4, Section 28;
NE1/4 NE1/4, Section 29;
Township 3 South, Range 3 West

5. Report the gross amount of ore mined and waste moved, and the disposition of the materials (onsite stockpiles, sold, waste pile, regraded, etc.):

Gross Ore Mined	0	Tons
Waste Material Moved	0	Tons
New Disturbance	0	Acres during 2014
Area Reclaimed	0	Acres during 2014
Total Disturbed Area	17.3	Acres*

*Total mine disturbance from the beginning of mining operations through the end of 2014.

Was the ore shipped off site? If not, where is the ore located?

No ore was generated or shipped off site. The mine was last active in 1983. Kennecott Utah Copper Corp. purchased the inactive property from Anaconda Minerals Co. in 1985.

Where is the waste located?

All waste (i.e. waste rock) is located on site.

6. Briefly describe the reclamation work performed during the past year. A map showing reclaimed areas and dates is suggested. (Submit form MR-SITE for an application for full or partial bond/site release).

No reclamation work was performed during the past year. The only disturbed acreage remaining in Pine Canyon are those sites identified in the 1988 reclamation plan that were left in place for long term use and cover an area of approximately 17.3 acres. These sites include the Pine Canyon tunnel portal, concrete flume, production shaft head frame, service shaft, access road, warehouse shop, culinary water system with water supply wells, power line to wells, fresh water tank and a small waste rock pile adjacent to the head frame which was left un-reclaimed due to the steep grade.

Water is pumped out of the Carr Fork Service Shaft and piped through the Pine Canyon/Parvenu Tunnel to the Bingham Canyon Mine where it is managed through established water collection systems. The water is being removed as part of the general pit dewatering program at the Bingham Canyon Mine and for use as process water at the Copperton Concentrator. The only other work was general systems maintenance on electrical and pumping equipment.

7. **Include an updated map depicting surface disturbance and reclamation performed during the year, prepared in accordance with Rule R647-4-105.**

Although there have been no significant changes since 1988, a map showing the remaining Pine Canyon facilities is attached (Map 454-T-0235).

I hereby certify, under penalties of law, the information provided in this report is true and correct to the best of my knowledge and belief.

Name (Typed or Print): *Steve Schnoor*

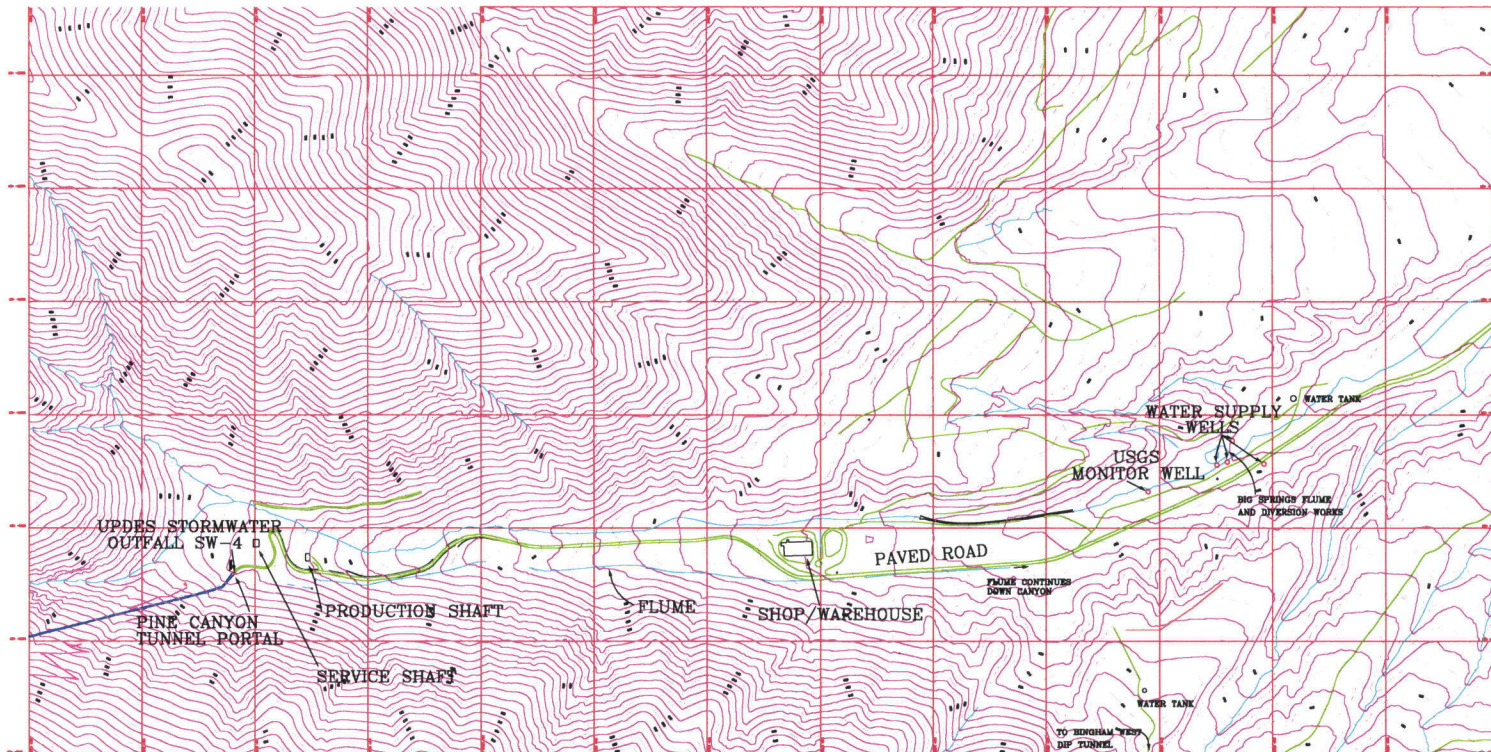
Title of Operator: Director – Land, Water, and Energy

Signature of Operator: _____

Date: *January 30, 2015*

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STRATEGIC RESOURCES GROUP		KENNECOTT UTAH COPPER	
SCALE: 1"=500'	DATE	PINE CANYON REMAINING FACILITIES	
DRAWN: VP	3/2006		
CHECKED: JI	3/2006		
PROJECT: VP	3/2006		
PROJECT: VP			
Job No. ---	Dwg. No. 454-T-0235	REV	101

Kennecott Utah Copper
4700 Daybreak Parkway
South Jordan, Utah 84095
801-569-7128 (o)
801-569-7192 (f)

Steve Schnoor
Director – Land, Water, and Energy

January 30, 2015

Mr. Paul Baker, Minerals Program Manager
Division of Oil, Gas & Mining
Utah Department of Natural Resources
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, Utah 84114-5801

Attn: Ms. Leslie Heppler

Re: Large Mining Operations 2014 Annual Report
January 1, 2014 to December 31, 2014
M/045/0004
Pine Canyon Mine


Dear Mr. Baker:

Please find attached Form MR-AR for permit number M/045/0004, Pine Canyon Mine.

KUC is also providing updated information regarding mining activities performed in 2013 (Attachment A) not specifically addressed on Form MR-AR for M/045/0004.

If you have any questions about these annual reports, please contact Thiess Lindsay at 801.569.6066.

Sincerely,


For Steve Schnoor

Steve Schnoor
Director – Land, Water, and Energy

C: Dana Dean (UDOGM)

Attachment A

Title:

Update of Mining Activities Related to Pine Canyon Mine Operations (M/045/0004)

Context:

The division has been briefed in various capacities throughout the year regarding new and/or continued mining activities related to the Pine Canyon Mine operation.

Purpose:

The intent of this update is to provide the division with a brief summary of mining related activities completed or ongoing throughout the year.

Summary of Activities (not addressed on Form MR-AR):

- KUC is scheduled to complete a surety cost basis update for M-045-0004 by Q4 2016.